

FEB 27 1989

Decision 89 02 076 FEB 24 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
the Suren Nazaryan, dba Apollo-)
Soyuz Airport Passenger Service)
(ASAPS), for a certificate of public)
convenience and necessity to provide)
passenger stage service between)
points in Los Angeles County, on one)
hand, and Los Angeles International)
Airport, on the other hand.)

Application 88-11-018
(Filed November 9, 1988)

OPINION

Applicant seeks authority under Public Utilities Code § 1031 to operate between points in Los Angeles (Hollywood, West Hollywood, Mid-Wilshire, and downtown areas), on the one hand, and Los Angeles International Airport (LAX), on the other hand.

Applicant proposes to furnish scheduled and on-call, door-to-door service on a 7-day, 24-hour basis with minimum 2-hour advance reservations. Service will be rendered in six 1988 model, 7-passenger, air-conditioned vans. His fares will range from \$13 for adults to \$11 for disabled persons, first time U.S. visitors, and U.S. goods exporters. The fare for children will be \$6.

In support of his application, applicant has furnished a balance sheet which shows assets of \$385,000 and no liabilities. His projected revenues and expenses for the first year of operation shows a net before tax profit of \$65,057.

Applicant states that he is familiar with existing transportation services from his six years' work experience with L.A. Checker Cab Company, where he served three years as a supervisor and was in direct contact with the City of Los Angeles Department of Transportation (LADOT). He states that his job was mainly enforcement of LADOT rules and regulations.

Applicant alleges that the service he proposes to offer is different and distinct from any public transportation currently being offered in the area he proposes to serve. He notes that the number of Armenian and Russian air travelers arriving at LAX increases dramatically each year and that the number of visitors, both for business and pleasure, has increased in proportion on the dramatic increase in the Armenian and Russian resident population in the Los Angeles area.

Applicant alleges that Armenian and Russian air travelers typically face a language barrier at LAX. Present shuttle services are unable to accommodate these passengers in their native language. Armenian and Russian travelers are extremely reluctant to use any of the present shuttle services since they are uncertain what services are being offered. Because of the language barriers and lack of certain skills to find ways of transportation to and from LAX, these proposed passengers do not benefit from existing transportation services.

Applicant speaks and writes Armenian, Russian, and English fluently, and is planning to hire drivers who speak the same languages. He will display signs in these languages and will advertise in the community, which will help the proposed passengers to use this affordable service rather than to drive their cars to and from LAX.

Applicant has submitted letters from Vart Travel Agency, which does extensive business with Armenian clients; The Armenian General Benevolent Union; Asbarez, an Armenian language newspaper; the Armenian Church of North America Western Diocese; and Los Angeles City Councilman Michael Woo in support of his application.

The application was timely protested by SuperShuttle of Los Angeles, Inc. (SuperShuttle) and there is a motion to accept a late-filed protest by LADOT. LADOT alleges that it received notice of the application on November 2, 1988 and that it mailed a letter on November 7, 1988 asking applicant for a copy of the application.

Apparently LADOT took no further action but did not receive a copy of the application until the week of December 26, 1988, after the protest period expired.

LADOT's proposed protest indicates that the person to contact in regard to the protest is:

Kenneth Walpert, Department of Transportation
200 North Spring Street, Rm 1600 City Hall
Los Angeles, CA 90012.

Exhibit G attached to the application states under penalty of perjury that the notice of application (Exhibit F) was mailed to Kenneth Walpert's attention at the above address on October 5, 1988. Although the application was not brought into compliance with our rules of practice and actually filed until November 9, 1988, the applicant gave the appropriate notice approximately four weeks earlier. LADOT took no action on this notice, which clearly summarizes the authority sought, until November 7. Its motion to accept the late-filed protest is not made under penalty of perjury and contains no documentation supporting any of the allegations. LADOT is not a new or unsophisticated participant in our process. It regularly reviews and protests applications for passenger stage operating authority and participates in hearings when they are held. It appears in this case that it simply failed to take timely action or to follow through on the action it did take. Having failed to secure its rights, it may not now complain that our staff should have taken action to ensure that the application was sent to them. We will not accept the late-filed protest.

SuperShuttle's protest states that it will produce evidence that public convenience and necessity do not require the proposed service, that the residents and visitors of the City of Los Angeles are injured by the excessive number of companies providing on-call service to LAX because the finite number of passengers is spread among numerous vans, and that there will be an

adverse effect on the environment since the additional unneeded vans will add to the congestion at LAX.

Applicant has provided letters in support of his service from the community he seeks to serve. SuperShuttle does not allege that it or any other carrier provides the Russian and Armenian language service applicant seeks to provide. It does not allege or offer to prove any facts that counter applicant's demonstrated need for this specialized service. In assessing the need for service we evaluate not only the destination of the proposed service (which may be well served) but also the points of origin and any specialized features of the service which are frequently unmet by any other carrier. Such appears to be the case here. In view of applicant's showing and in view of the fact that the protest is devoid of specific facts which would require public hearing, we will find that the applicant has demonstrated public convenience and necessity for the proposed service and that he has the background and financial capability to undertake the proposed service.

Findings of Fact

1. Applicant proposes to offer scheduled and on-call service 24 hours per day, seven days a week with a minimum reservation of two hours.
2. Applicant shows assets of \$385,000 and no liabilities. He projects a before tax profit of \$65,000 for the first year's operations.
3. Applicant has furnished four letters of support from the community he seeks to serve. Applicant states that he speaks and writes Russian and Armenian and that he proposes to hire drivers who speak those languages also.
4. Applicant has six years' experience in providing transportation services to the public.

5. A timely protest was received from SuperShuttle and a motion to accept a late-filed protest was received from LADOT. No protests were received from any public transit authority.

6. Because the proposed service should be made available to the consuming public as soon as possible, this order should be effective today.

7. A public hearing is not required.

Conclusions of Law

1. Good cause has not been shown for accepting the late-filed protest of LADOT.

2. The protest of SuperShuttle does not allege specific facts which require hearing and should therefore be denied.

3. The applicant has demonstrated that public convenience and necessity require the service and that he has the experience and financial capability to provide the service.

4. The application should be granted.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Suren Nazaryan, authorizing him to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-5451, to transport persons, baggage, and/or express.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. State in his tariffs and timetables when service will start; allow at least 10 days' notice to the Commission; and make

timetables and tariffs effective 10 or more days after this order is effective.

- d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.

3. Prior to initiating service to any airport, applicant shall notify the airport authority involved. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that he has evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

5. The motion of the City of Los Angeles Department of Transportation to accept a late-filed protest is denied.

6. The protest of SuperShuttle of Los Angeles, Inc. is denied.

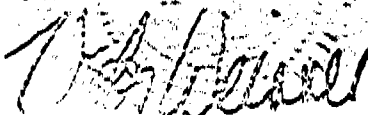
7. The application is granted as set forth above and this proceeding is closed.

This order is effective today.

Dated FEB 24 1989 at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.



Victor Weisner, Executive Director

AB

T/MEE/ebi

Appendix PSC-5451

Suren Nazaryan

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-5451

Showing passenger stage operative rights, restrictions,
limitations, exceptions, and privileges.

All changes and amendments as authorized by
the Public Utilities Commission of the State of California
will be made as revised pages or added original pages.

Issued under authority of Decision 89 02 076, dated

FEB 24 1989 of the Public Utilities Commission of the
State of California in Application 88-11-018.

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Issued by California Public Utilities Commission.

Decision 89 02 076, Application 88-11-018.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

Suren Nazaryan, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized as a passenger stage coach to provide both scheduled and on-call, door-to-door services to transport passengers and their baggage between points in Los Angeles County, described in Section 2, and Los Angeles International Airport (LAX), over and along the routes described in Section 3, subject, however, to the authority of this Commission to change or modify the routes at any time and subject to the following provisions:

- (a) This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.
- (b) When route descriptions are given in one direction, they apply to operations in either direction unless otherwise indicated.
- (c) The tariffs and timetables shall specify the location of each scheduled stop.
- (d) No passengers shall be transported except those having a point of origin or destination at LAX.
- (e) The term "on-call" as used refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which each authorized on-call service will be provided, and shall include the description of the boundary of each fare zone, except when a single fare is charged to all points within a single incorporated city.

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SECTION 2. SERVICE AREA DESCRIPTION.

All points within the following zip code areas in Los Angeles County:

90004, 90005, 90006, 90007, 90010, 90011, 90012, 90013, 90014, 90015, 90016, 90017, 90018, 90019, 90020, 90026, 90027, 90028, 90036, 90038, 90039, 90046, 90048, 90057, 90069.

These zip codes generally include West Hollywood, Hollywood, Mid Wilshire, Korea Town, and Downtown Los Angeles.

SECTION 3. ROUTE DESCRIPTIONS.

Route 1. ON-CALL, DOOR-TO-DOOR SERVICE

Commencing at LAX then via the most convenient streets and highways to any point within the authorized service area described in Section 2.

Route 2. SCHEDULED SERVICE

Commencing at LAX then via the most convenient streets and highways to the scheduled stops in the authorized service area described in Section 2.

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